

Michigan Department of Community Health

MI CHOICE ELIGIBILITY AND ADMISSION PROCESS

BENEFICIARY ELIGIBILITY AND ADMISSION PROCESS

There are three necessary components of the MI Choice Program eligibility and admission process:

- **Verification of Medicaid Eligibility**

Medicaid payment for MI Choice Program services requires a determination of Medicaid eligibility by the Family Independence Agency (FIA). When a Medicaid-eligible or potentially-eligible beneficiary is admitted to the MI Choice Program, the MI Choice agent must submit the FIA Assistance Application Form (FIA-1171) to the local FIA office to establish/confirm beneficiary eligibility for Medicaid benefits. The FIA-1171 may be obtained through the local FIA office.

- **Appropriate Placement Based on Completion of the Michigan Medicaid Nursing Facility Level of Care Determination**

The MI Choice Program agent must verify beneficiary appropriateness for services by completing an electronic web-based version of the Michigan Medicaid Nursing Facility Level of Care Determination form. The Michigan Medicaid Nursing Facility Level of Care Determination is accessed through Michigan's Single Sign-on System located at <https://sos.state.mi.us>. Providers of Long Term Care must complete a one-time registration process to access the Single Sign-on System.

The MI Choice Program agent may not bill Medicaid for services provided when the beneficiary does not meet the established criteria identified through the tool or the Nursing Facility Level of Care Exception Process, and may not bill the beneficiary unless the beneficiary has been advised of the denial and elects, in advance, to pay privately for services.

Services will not be reimbursed when the determination does not demonstrate functional/medical eligibility through the electronic web-based tool. In addition, providers must submit the information via the web no later than 7 calendar days following start of services.

A copy of the Michigan Medicaid Nursing Facility Level of Care Determination form and the Field Definition Guidelines are on the MDCH website at www.michigan.gov/mdch, select "Providers," "Information for Medicaid Providers," "[Michigan Medicaid Nursing Facility Level of Care Determination](#)."

The Michigan Medicaid Nursing Facility Level of Care Determination must be completed by a health professional (physician, registered nurse, licensed practical nurse, licensed social worker (BSW or MSW), or physician assistant) representing the proposed provider. Staff who have met experience requirements for care management may complete the determination. The MI Choice Program agent will be held responsible for billing Medicaid for only those participants who meet the criteria outlined in this bulletin.

For participants currently enrolled on November 1, the Michigan Medicaid Nursing Facility Level of Care Determination must be applied by the date of the next annual MDS assessment.

The Michigan Medicaid Nursing Facility Level of Care Determination must be completed using the electronic web-based tool in the following situations:

- all new admissions of Medicaid-eligible beneficiaries

- non-emergency transfers of Medicaid-eligible beneficiaries to another MI Choice Program agent, including transfers originating from a nursing facility that is undergoing a voluntary program closure

The Process Guidelines define required process steps for use of the electronic web-based form and application of the criteria, informed choice, and specific discharge planning requirements. The Process Guidelines are attached (see Attachment C). The guidelines are available on the MDCH website.

The revised functional/medical criteria include seven domains of need:

- Activities of Daily Living,
- Cognitive Performance,
- Physician Involvement,
- Treatments and Conditions,
- Skilled Rehabilitation Therapies,
- Behavior, and
- Service Dependency.

For participants who qualify under only three of these domains (Physician Involvement, Treatments and Conditions, and Skilled Rehabilitation Therapies), specific restorative nursing plans and assertive discharge planning must be evident and documented within the medical record (except for end-of-life care). These requirements are specified in the Process Guidelines.

The electronic web-based tool must be completed only once for each admission to the program.

- **Nursing Facility Level Of Care Exception Process**

An exception process is available for those applicants who have demonstrated a significant level of long term care need, but do not meet the Michigan Medicaid Nursing Facility Level of Care Criteria. The Nursing Facility Level of Care Exception Process is initiated when the prospective provider telephones MDCH or its designee and requests review after the applicant has been determined ineligible using the electronic web-based tool. The NF LOC Exception Criteria is available on the MDCH website at www.michigan.gov/mdch select "Providers," "Information for Medicaid Providers," "[Michigan Medicaid Nursing Facility Level of Care Determination](#)," to request a NF LOC exception review, providers may view contact information at the above website.

TELEPHONE INTAKE GUIDELINES

The Telephone Intake Guidelines is a list of questions that identify potential MI Choice Program participants for further assessment. The Telephone Intake Guidelines do not determine program eligibility. Use of the Telephone Intake Guidelines is at the discretion of the MI Choice Program agent. The guidelines are available on the MDCH website.

The Telephone Intake Guidelines is the only acceptable structured tool for telephonic pre-screening.

ANNUAL RE-CERTIFICATION

MI Choice Program participants must undergo annual re-certification as federally required to establish that they continue to meet functional/medical eligibility requirements; however, participants must meet the nursing facility level of care definition on an ongoing basis for services to be reimbursed. The electronic web-based form must be completed only once for each admission. Quarterly Minimum Data Set-Home Care (MDS-HC) assessments and progress notes must demonstrate that the participant has met the criteria on an ongoing basis.

RETROSPECTIVE REVIEW AND MEDICAID RECOVERY

At random and whenever indicated, MDCH will perform retrospective reviews to validate the Michigan Medicaid Nursing Facility Level of Care Determination and the quality of Medicaid MDS-HC data overall. If the participant is found to be ineligible for MI Choice Program services, MDCH will recover all payments made for services rendered during the period of ineligibility by making an adjustment during annual cost settlement.

ADVERSE ACTION NOTICE

When the provider determines that the applicant or current participant does not qualify for services based on the Michigan Medicaid Nursing Facility Level of Care Determination, the provider must immediately issue an adverse action notice to the applicant or his authorized representative. The provider must also offer the applicant referral information about services that may help meet his needs.

As with any benefit denial, the beneficiary may request an administrative hearing. The Administrative Tribunal Policies and Procedures Manual explains the process by which each different case is brought to completion. The manual is available on the Administrative Tribunal portion of the MDCH website. (Refer to the Directory Appendix of the [Medicaid Provider Manual](#) for [Administrative Tribunal](#) contact and website information.)

IMMEDIATE REVIEW-ADVERSE ACTION NOTICES

MDCH or its designee will review all pre-admission or continued stay adverse action notices upon request by a Medicaid beneficiary or his representative. When a beneficiary requests an immediate review before noon of the first working day after the date of receipt of the notice:

- MDCH or its designee will request that the MI Choice Program agent provide pertinent information by close of business of the first working day after the date the beneficiary or representative requests an immediate review.
- MDCH or its designee will review the records, obtain information from the beneficiary or beneficiary representative, and notify the beneficiary and the provider of the determination by the first full working day after the date of receipt of the beneficiary request and the required medical records.

The beneficiary (or representative) may still request an MDCH appeal of the Michigan Medicaid Nursing Facility Level of Care Determination.

FREEDOM OF CHOICE

When an applicant has qualified for services under the nursing facility level of care criteria, they must be informed of their benefit options and elect, in writing, to receive services in a specific program. This election must take place prior to initiating MI Choice Program services.

The applicant, or legal representative, must be informed of the following:

- services available under the MI Choice Program
- services available in other community settings, such as the PACE program
- services available through Medicaid-reimbursed nursing facilities

If applicants are interested in nursing facility or other community-based care, the MI Choice Program agent must provide appropriate referral information using the Access Guidelines to Medicaid Services for Persons with Long Term Care Needs.

Applicants must indicate their choice of program in writing by signing the Freedom of Choice form which is witnessed by the applicant's representative. A copy of the completed form for non-enrollees must be retained for a period of three years. The completed form must be kept in the medical record if the applicant chooses to receive MI Choice Program services.

A copy of this form is included with the revised criteria.

APPLICANT APPEALS

Financial Eligibility

A determination that an applicant is financially not eligible for Medicaid is an adverse action. Applicants may appeal such an action to the Family Independence Agency (FIA).

Functional/Medical Eligibility

A determination that an applicant is functionally/medically not eligible for MI Choice Program services is an adverse action. If the applicant and/or representative disagree with this determination, they have the right to request an administrative hearing before an administrative law judge. Information regarding the appeal process may be found at the MDCH website. (Refer to the Directory Appendix of the Medicaid Provider Manual for website information.)

PROVIDER APPEALS

A retrospective determination that a participant is ineligible for MI Choice Program services based on review of the functional/medical screening is an adverse action for the MI Choice Agent if MDCH proposes to recover payments made. If the MI Choice Program agent disagrees with this determination, an appeal may be filed with MDCH. (Refer to the Directory Appendix of the [Medicaid Provider Manual](#) for [Administrative Tribunal](#) contact and website information.)